

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC)	
SERVICE COMMISSION OF THE)	
APPLICATION OF THE FUEL ADJUST-)	
MENT CLAUSE OF GRAYSON RURAL)	CASE NO. 9744
ELECTRIC COOPERATIVE CORPORATION)	
FROM NOVEMBER 1, 1984, TO)	
OCTOBER 31, 1986)	

O R D E R

Pursuant to 807 KAR 5:056, Sections 1 (11) and 1 (12), the Public Service Commission ("Commission") issued its Order on November 14, 1986, scheduling a hearing to review the operation of the fuel adjustment clause of Grayson Rural Electric Cooperative Corporation ("Grayson") for the past 2 years and to determine the amount of fuel cost that should be transferred (rolled in) to the base rates in order to reestablish the fuel adjustment charge. Grayson was not required to appear at the scheduled hearing unless an appearance was requested by the Attorney General's Utility and Rate Intervention Division or other interested parties or by the Commission on its own motion.

Grayson filed all requested information, including its monthly fuel charges for the 2-year period under review and its affidavit of compliance with the provisions of the fuel adjustment clause as prescribed in 807 KAR 5:056. Following proper notice, no party of record requested Grayson to appear at the hearing scheduled for February 10, 1987.

The Commission approved a transfer (roll-in) of (1.46) mills per KWH to the base rates of Grayson's wholesale supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 9731. Approval of East Kentucky's proposal requires that Grayson also be authorized to roll-in those same fuel costs to its base rates.

The Commission, having considered the evidence of record and being advised, finds that:

1. Grayson has complied in all material respects with the provisions of 807 KAR 5:056.

2. Grayson's wholesale supplier has been authorized to transfer (roll-in) to its base rates fuel costs of (1.46) mills per KWH in Case No. 9731.

3. Grayson should be authorized to decrease the rates charged its customers by 1.60 mills per KWH in order to transfer fuel costs rolled-in by East Kentucky from the fuel adjustment clause to the base rates pursuant to the Commission's Order in Case No. 9731 and applicable line loss, and this can best be accomplished by a uniform reduction in all energy rates.

4. The revised rates and charges in Appendix A are designed to reflect the transfer of fuel costs from the fuel adjustment clause rate to the base rates.

IT IS THEREFORE ORDERED that:

- (1) The charges and credits applied by Grayson through the fuel adjustment clause for the period November 1, 1984, through October 31, 1986, be and they hereby are approved.

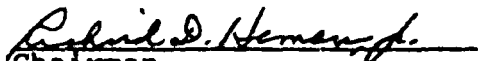
(2) Grayson be and it hereby is authorized to transfer to its base rates fuel costs transferred (rolled-in) by its wholesale supplier pursuant to Case No. 9731.


(3) The rates in Appendix A be and they hereby are approved for service rendered by Grayson on and after May 1, 1987, which is also the effective date for East Kentucky's rates.

(4) Within 30 days from the date of this Order Grayson shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 28th day of April, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9744 DATED 4/28/87

The following rates and charges are prescribed for the customers in the area served by Grayson Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE 1* DOMESTIC - FARM & HOME SERVICE

Rates:

Customer Charge Per Month	\$7.25	Per Month
Energy Charge	.05923	Per KWH

Minimum Charge

The minimum monthly charge under the above rate shall be \$7.25 where 25 KVA or less of transformer capacity is required.

Special Provisions

Delivery Point - The delivery point shall be the metering point unless otherwise specified in the contract for service. All wiring, pole lines and other electrical equipment on the load side of the delivery point shall be owned and maintained by the consumer.

SCHEDULE 1 - T-O-D DOMESTIC - FARM AND HOME SERVICE EXPERIMENTAL RESIDENTIAL SERVICE - TIME-OF-DAY

Availability of Service

Available for a period limited to 2 years, as an experimental tariff to consumers eligible for Tariff Domestic - Farm and Home Service, is for the purpose of conducting a time-of-day rate experiment designed to provide data to evaluate the cost and benefits of time-of-day pricing and its effect on the use of electricity by residential consumers in the Cooperative's service area. Consumers who will be eligible for this tariff will be selected by

the Cooperative and will agree voluntarily to participate in the Cooperative's residential time-of-day rate experiment.

This tariff is limited to the consumers selected by the Cooperative and will require the installation of a special meter capable of registering the on-peak and off-peak kilowatt-hours.

This tariff is available for single-phase service only.

Rates:

On-Peak Rate		
Service Charge	\$7.25	Per Month
All KWH/Month	.05923	Per KWH
Off-Peak Rate		
All KWH/Month	.03490	Per KWH

SCHEDULE 2
COMMERCIAL AND SMALL POWER 50 KVA OR LESS,
INCLUDING PUBLIC BUILDINGS, SCHOOLS, CHURCHES, ETC.

Rates:

Customer Charge	\$7.25	Per Month
Energy Charge Per KWH	.05923	Per KWH

SCHEDULE 4
LARGE POWER SERVICE - SINGLE AND THREE-
PHASE - 50-600 KVA(T)

Rates:

Customer Charge	\$55.00	Per Month
Demand Charge per Billing KW	6.70	Per KW
Energy Charge (for all KWH)	.04163	Per KWH
Minimum Monthly Charge	\$55.00	

SCHEDULE 5
STREET LIGHTING SERVICE*

Base Rate Per Light Per Year

For dusk to dawn lighting with lights mounted on existing wooden poles with bracket attachments and connected to existing overhead secondary circuits.

For the following monthly charges, the Cooperative will furnish, install and maintain the lighting fixtures and accessories including hardware, control, lamps, overhead wiring, etc., and the energy required.

<u>Lamp Size</u>	<u>Mercury Vapor Lamps</u>	<u>Annual Charge Per Lamp</u>
175 Watt	\$5.84	\$70.08

SCHEDULE 6
OUTDOOR LIGHTING SERVICE - SECURITY LIGHTS*

Availability

Available to consumers, other than towns and villages, for dusk to dawn outdoor lighting on existing overhead secondary circuits.

Rate Per Light Per Month

7,000 Lumens	Mercury Vapor Lamp	\$5.81
10,000 Lumens	Mercury Vapor Lamp	\$7.73

Conditions of Service

1. The Cooperative shall furnish, install, operate and maintain the outdoor lighting equipment including lamp, luminaire, bracket attachment and control device on an existing pole of the Cooperative, electrically connected so that power for operation of the light does not pass through the meter for the consumer's other usage, at a location mutually agreeable to both the Cooperative and the consumer.

SCHEDULE 7
ALL ELECTRIC SCHOOLS (A.E.S.)*

Rates:

Customer Charge	\$25.00	Per Month
All KWH	.04211	Per KWH
Demand Charge	4.00	Per KW

SCHEDULE 8
SEASONAL SERVICES - SERVICES ACTIVE LESS THAN
NINE (9) MONTHS OUT OF A YEAR

Rates:

Customer Charge Per Month	\$8.80	Per Month
Energy Charge	.07700	Per KWH

Minimum Charge

The minimum monthly charge under the above rate shall be \$8.80 where 25 KVA or less of transformer capacity is required.

*Fuel Clause Adjustment

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the wholesale power supplier plus an allowance for line losses. The allowance for line losses will not exceed 10 percent and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.